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Summary record of the 29th meeting
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Chairman: Mr. Bródi ..... (Hungary)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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The meeting was called to order at 10.15 a.m.

Organization of work (A/C.5/63/1/Add.1 and A/C.5/63/L.30)

1. **The Chairman** drew attention to a letter dated 20 February 2009 from the President of the General Assembly (A/C.5/63/1/Add.1) informing him of the decision to allocate to the Committee agenda item 157 on financing of the activities arising from Security Council resolution 1863 (2009).

2. He invited the Committee to consider the proposed programme of work for the first part of the resumed sixty-third session, which had been circulated informally and had been prepared on the basis of the note by the Secretariat on the status of preparedness of documentation (A/C.5/63/L.30).

3. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, expressed regret at the repeated failure to comply with the General Assembly's long-standing request for strict adherence to the six-week rule for submission of documentation to legislative bodies in all official languages. The Committee was often obliged to wait for reports of the Secretary-General and of the Advisory Committee, and to consider them too hurriedly. The Secretary-General and the Chairman of the Advisory Committee should heed the concerns of the delegations, as the Committee could not conclude its consideration of the items before it in an efficient, timely and effective manner under the current, unacceptable, circumstances. In cases in which other types of document were not made available on time, authors should be held accountable for late issuance.

4. The Group welcomed the efforts of the Bureau and secretariat of the Committee to establish a tentative programme of work, but could not endorse the proposed schedule beyond the first two weeks of the session, as many documents were yet to be issued. The Bureau should continue its consultations with the Member States and the Advisory Committee to plan the remainder of the session, giving priority to time-bound issues.

5. **Ms. Krahulcová** (Czech Republic), speaking on behalf of the European Union, the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania and Montenegro; and, in addition, Armenia, Liechtenstein and Ukraine said that the successful outcome of the Committee's deliberations at the main part of the sixty-third session had enabled financing of the Organization's activities to continue uninterrupted. However, those often challenging activities could only be undertaken if the Member States paid their contributions in full and on time. The Organization, meanwhile, was expected to exercise strict budgetary discipline, particularly at a time when the global economic crisis was placing a heavy burden on the Member States.

6. Late submission of documentation was a continuing problem. It should be recalled that the proposed programme budget outline for the biennium 2010-2011 and the first performance report on the programme budget for the biennium 2008-2009 had been introduced in the Committee very close to the end of the main part of the current session, creating an unfortunate precedent and leaving little time for a detailed examination of the Secretary-General's proposals. Having repeatedly pointed out the need for documents to be made available in all official languages far enough in advance of each session of the Committee, the European Union insisted on the adoption of suitable measures to prevent a recurrence of the situation. However, the Member States should bear in mind that requesting written answers to questions posed in meetings of the Committee did not necessarily make discussion more constructive.

7. The European Union believed that priority should be given to discussion of the capital master plan, to ensure that it was managed effectively and efficiently and remained consistent with the decisions reached at the sixty-second session; of safety and security, which deserved introduction early in the first part of the resumed session; of peacekeeping issues, including financing for the United Nations Mission in the Central African Republic and Chad (MINURCAT) and for the support package for the African Union Mission in Somalia (AMISOM) requested by the Security Council in its resolution 1863 (2009); of accountability measures, including those contained in the report of the Secretary-General on the accountability framework, enterprise risk management and internal control framework, and results-based management framework (A/62/701); and, lastly, of the scale of assessments, building on the decisions reached at the main part of the current session, in order to provide guidance for the Committee on Contributions.

8. **Mr. Heller** (Mexico), speaking on behalf of the Rio Group, said that the Group attached particular importance to several issues before the Committee for consideration, and to careful scrutiny and prioritization of the related proposals, in the light of the pressure on national budgets resulting from the financial crisis.

9. With regard to the capital master plan, it was concerned at the presence of additional costs apparently omitted from the original project and currently standing at 10 per cent of the total value of the plan. In addition, some of the amounts described as associated costs appeared unconnected with the plan, and might lead to unacceptable cost increases. The Group welcomed the identification of potential savings of approximately $100 million, but wondered whether they were the result more of the value engineering exercise, or more of the state of the international market or other causes external to the plan.

10. With regard to safety and security, the Group regretted that the proposals before the Committee were incomplete, through failing to incorporate fully the recommendations of the Independent Panel on Security and Safety. It also regretted the timing in the budget cycle of the Secretary-General's related request for resources, and the vagueness of the amount concerned. The Group would like more information on the large number of security and safety posts approved during previous sessions and wondered why, although the need for security improvements was greatest in the field, the proposals of the Secretary-General seemed to focus primarily on posts at Headquarters.

11. With regard to peacekeeping operations, the Group would like more information on oversight, accountability and procurement procedures in connection with the proposed package of support for AMISOM. In more general terms, the importance of peacekeeping to the goals of the Organization should not lead the Committee to ignore the increase in the number and size of peacekeeping operations and the consequent quadrupling of the peacekeeping budget between 2001 and 2009. There should be in-depth reflection on the sharing of financial responsibilities between the permanent members of the Security Council and other Member States.

12. The United Nations Institute for Training and Research (UNITAR) had provided substantial support to the delegates of all Member States. The Group remained confident that a solution could be found to the problem of funding the training which the Institute provided for diplomatic personnel.

13. **Mr. Mukai** (Japan) said that the expenditure restrictions forced on every government by the current unprecedented financial and economic challenges made it all the more important for the Organization to be managed effectively, efficiently and with budgetary discipline. Established procedures should be used to limit spending to what was strictly necessary, and Member States should be vigilant in preventing a continuation of piecemeal additions to the Organization's budget in the future.

14. Member States should continue to scrutinize the costs associated with the capital master plan, which were covered by proposals made by the Secretary-General in his report on the matter (A/63/582). The aim should be to seek full details and justification of such costs, to determine which were genuinely attributable to the capital master plan and which should instead be met from Secretariat departments' shares of the regular budget. In accordance with the request made by the General Assembly in paragraph 43 of its resolution 62/87, every effort should be made to absorb genuine associated costs within the budget approved for the capital master plan.

15. It was unfortunate that the proposals made by the Secretary-General in his report on revised estimates in connection with a strengthened and unified security management system for the United Nations (A/63/605) followed the piecemeal budget approach rather than adhering to the normal budget cycle. It was also unfortunate that the Secretary-General had considered certain issues while neglecting others, including a review of the organization of accountability and of the management of the Department of Safety and Security, as highlighted by the Independent Panel on Security and Safety.

16. In order to make the new contractual arrangements being introduced as part of the reform of human resources management sustainable, the granting of continuing appointments should be subject to rigorous scrutiny, using clear criteria. In considering the proposed amendments to the Staff Regulations at the current resumed session, the Committee should bear in mind that the new Staff Rules must be regarded as provisional, pending their consideration by the Assembly at its sixty-fourth session.

17. With regard to accountability and its key role in effective management, the approach of the Organization should be not just to explain and justify, but also to take responsibility for, its action or lack of action. The Member States were not simply asking the Secretariat to assume a new accountability mandate, but rather to exercise its managerial responsibility over existing mandates. Unfortunate examples of insufficient accountability included the fragmented implementation of Board of Auditors recommendations regarding peacekeeping operations and the delays in the construction project at the United Nations Office at Nairobi. With regard to oversight matters, his delegation was concerned at the long-standing gaps in the staffing of the Office of Internal Oversight Services at Headquarters. The vacancies concerned should be filled as rapidly as possible, in compliance with current rules, regulations, procedures and practices.

18. The documentation regarding budget requirements for peacekeeping operations and special political missions should be submitted in a timely manner, consistent with the wishes expressed by the General Assembly in its resolutions 62/225 and 63/248. As the Member States must have enough time to consider those requirements properly, his delegation could not accept submission of the necessary information beyond the midpoint of the current resumed session.

19. In view of the decisions which the Committee must take at the main part of the sixty-fourth session regarding the scale of assessments for the regular and peacekeeping budgets and the budget for the biennium 2010-2011, the Committee must discuss the scale of assessments without delay, in order to be able to adopt a resolution on the matter by the end of the current resumed session and to guide the deliberations of the Committee on Contributions.

20. **Mr. Roshkow** (United States of America) said that careful and sound decision-making by the Committee would uphold the credibility of the Member States, the Committee itself and the Organization. The reforms under way should be consolidated and carried forward. For his delegation, business continuity was a particularly important issue.

21. **The Chairman** said he took it that the Committee wished to approve the proposed programme of work on the understanding that adjustments would be made, where necessary, during the course of the session.

22. *It was so decided.*

Agenda item 118: Programme budget for the biennium 2008-2009 *(continued)*

Business continuity management (A/63/359 and Corr.1; A/63/584)

23. **Mr. Sach** (Assistant Secretary-General for Central Support Services), introducing the report of the Secretary-General on revised estimates relating to the programme budget for the biennium 2008-2009 under sections 3, 17, 18, 20, 21, 27, 28C, 28D, 28E, 28F, 28G, 33 and 35 related to business continuity management, said that many lives depended on the Organization's ability to discharge its mandates effectively and without interruption. It must therefore be prepared to continue its functions at all times, even when facing critical situations caused by accidental, malicious or environmental events.

24. The nature of risks faced by the United Nations had changed in the previous decade as a result of climate change, globalization, the geopolitical order and a growing dependence on highly technological systems. Recent emergencies, such as localized sudden-onset disasters, technological failures and military or terrorist-related incidents, demonstrated the need to strengthen business continuity management, which enabled the Organization to manage risks to the delivery of essential services.

25. The aim of business continuity management efforts was to establish and operate a coordinated and systematic framework to help the Organization to maintain and restore critical business processes after a disruptive event, to minimize the impact of such events on its staff, stakeholders and partners and its day-to-day operation; and to protect its reputation. The report explained the business continuity management process, the relationship between crisis management and business continuity management and the institutional framework dealing with crisis management and continuity of operations led by the Senior Emergency Policy Team and the Crisis Operations Group.

26. In accordance with the wish expressed by the General Assembly in paragraph 2, section VII, of its resolution 62/238, the report was complementary to, and compatible with, the reports of the Secretary-

General on information and communications technology: enterprise systems for the United Nations Secretariat worldwide (A/62/510/Rev.1); accountability framework, enterprise risk management and internal control framework, and results-based management framework (A/62/701 and Corr.1 and Add.1); and information and communications technology security, disaster recovery and business continuity for the United Nations (A/62/477), all previously considered by the Committee.

27. The Business Continuity Management Unit established within the Office of Central Support Services in September 2007 was leading the business continuity initiative at United Nations Headquarters, offices away from Headquarters and the regional commissions, drawing on the experience of New York-based funds and programmes. That collaborative effort had resulted in a Secretariat-wide standard planning methodology, and work was well advanced with all departments of the Secretariat to develop multi-hazard business continuity plans. It was particularly important to establish business continuity arrangements in all humanitarian and peacekeeping operations.

28. Implementation of the business continuity management proposals in 2009 would require $3,719,200 in regular budget resources. It should be recalled that although appropriations had been sought for business continuity activities in 2008, they had not been approved. The discretionary authority granted to the Secretary-General by the General Assembly in its resolution 60/283 had therefore been used to meet needs for that year, as had been the case in 2007.

29. The ad hoc budget solution used for the previous one and a half years had only ensured a minimum capacity, enabling the Organization to take the first steps towards business continuity management and providing only temporary financial and human resources. The business continuity process could not therefore be sustained under the current arrangements for more than a few months. Unless the Member States indicated clearly whether or not they wished business continuity to be institutionalized as part of the routine operation of the Organization, the current ad hoc arrangements could continue only until the end of 2009, after which the resources concerned must be returned to the areas for which they had originally been appropriated.

30. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/63/584), said that in the Advisory Committee's view, the Secretariat should draw on the experience of other United Nations entities in formulating its business continuity strategy. Furthermore, given that business continuity management was a matter of concern to all the organizations of the United Nations system, it should be possible to achieve economies of scale through coordination on relevant issues. The Advisory Committee therefore recommended that the General Assembly should request the Secretary-General to pursue the issue within the United Nations System Chief Executives Board for Coordination and to report thereon as part of that body's annual overview report. The Secretary-General should also be urged to pursue cooperation with host-country authorities at all duty stations to protect the interests of all concerned and to ensure an effective and coordinated response to potential disruptions.

31. While recognizing the need to address business continuity management, the Advisory Committee saw a need for further development and justification of the approach set out in the Secretary-General's report (A/63/359 and Corr.1). It therefore recommended that the Secretary-General should clarify the relationship between business continuity management, the overarching risk management framework and the global operational framework for ICT, indicating the roles of the various actors in the process and avoiding a piecemeal approach to business continuity requirements. He should also clarify existing and planned measures to ensure the continuity of peacekeeping and humanitarian operations in the event of a serious incident or interruption. Until those issues, as well as the pertinent recommendations of the Independent Panel on Safety and Security of the United Nations Personnel and Premises Worldwide, were addressed, the Advisory Committee was not in a position to recommend endorsement of the Secretary-General's approach.

32. With regard to the four new posts which the Secretary-General had requested for the Business Continuity Management Unit, the Advisory Committee was not convinced of the need for a dedicated permanent capacity in that field at the present stage. However, in order to safeguard the progress achieved

so far and to make business continuity planning part of the Organization's standard operating procedures, it recommended the establishment of a business continuity focal point in the Department of Management at Headquarters consisting of one P-5, one P-4 and one General Service position to be funded under general temporary assistance. The Advisory Committee also recommended approval of one P-4 business continuity specialist position and one General Service position for the United Nations Office at Nairobi, also to be funded under general temporary assistance.

33. Existing and planned resource capacity in the area of ICT should be sufficient to meet the business continuity needs described in the Secretary-General's report. Accordingly the Advisory Committee recommended against approval of the two P-3 posts requested for the Office of Information and Communications Technology and the P-3 post requested for the United Nations Office at Vienna.

34. In connection with the Secretary-General's proposal to establish two medical officer posts and one pandemic team assistant post, the Advisory Committee believed that the health and safety aspects of business continuity management were of particular importance and noted that the specialized functions to be carried out by the medical officers would require additional capacity. Accordingly, it recommended approval of funding, under general temporary assistance, for one P-4 and one P-3 medical officer position, as well as for one General Service administrative assistant/pandemic team assistant position.

35. With regard to non-post resources, the Advisory Committee noted that a significant portion of the proposed additional requirements related to the development of telecommuting and remote access for staff; however the Secretary-General's proposal did not provide a clear indication of who was to use that technology. The related requirements should therefore be prioritized and absorbed within existing resources.

36. The Advisory Committee recommended approval of the resource requirements associated with the travel of medical staff. However, medical supplies and materials, including vaccines and antibiotics, should be acquired using existing resources. The Advisory Committee recommended that the Secretary-General should consider the feasibility of system-wide supply contracts for vaccines. Such contracts should be sufficiently flexible to protect the Organization's interests and, where appropriate, unused vaccines should be donated before their expiration dates.

37. The Advisory Committee had recommended approval of a commitment authority of $1,236,700 for the net additional resource requirements for the biennium 2008-2009. As that recommendation had been made in December 2008 on the assumption that general temporary assistance would be required for the whole of 2009, and as only nine months of the biennium remained, the General Assembly might wish to consider adjusting the resource requirements for general temporary assistance accordingly. With regard to possible future requirements for business continuity management, the Advisory Committee recommended that the General Assembly should request the Secretary-General to submit a fully justified request for post and non-post resources in the context of the proposed programme budget.

38. **Mr. Abdelmaaaaa** (Sudan), speaking on behalf of the Group of 77 and China, said that the Group was aware of the multiple risks currently facing the United Nations and of its increasing dependence on information technology systems. It attached great importance to business continuity management and supported strengthening the Organization's ability to respond to risks and to maintain continuity of critical business processes following disruptive events.

39. The Group continued to believe that, in order to ensure business continuity management and the health and safety of its staff, the Organization should formulate a comprehensive, unified and multi-hazard approach. It agreed with the Advisory Committee that the Secretariat must draw upon the experience of other United Nations entities in formulating its business continuity strategy; ensure cooperation with host-country authorities at all duty stations; and avoid a piecemeal approach to business continuity requirements. It concurred with the Advisory Committee that the Secretary-General should pursue that issue within the framework of the Chief Executives Board for Coordination and that the approach set out in the Secretary-General's report required further development and justification.

40. The Group sought further clarification of the link between information technology, disaster recovery and business continuity management, especially in the light of the adoption by the General Assembly of its

resolution 63/262 on information and communications technology, enterprise resource planning and security, disaster recovery and business continuity. Recalling the proposed additional resource requirements for the development of telecommuting capabilities and remote access for staff, the Group wondered who was intended to utilize that technology and how it would function. It would also like to know how the Secretariat intended to achieve economies of scale through coordination among organizations within the United Nations system on relevant issues, including the use of backup centres for information and communications technology, the commissioning of consultants and the procurement of specialized equipment and medical supplies and training.

41. The Group agreed with the Advisory Committee's recommendations on non-post resources such as the acquisition of medical supplies and the donation of vaccines prior to expiration. It further agreed that, should there be future requirements for business continuity management, the Secretary-General should submit a fully justified request for post and non-post resources in the context of the proposed programme budget.

42. **Ms. Krabulcová** (Czech Republic), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Armenia, the Republic of Moldova and Ukraine, said that, as the Committee embarked on its first ever comprehensive discussion of business continuity management, it should remain aware that it was laying the basis for future deliberations.

43. The European Union welcomed the Secretariat's efforts to respond to the risks which the Organization faced as a result of recent world events. However, it considered that several issues had not been explained in sufficient detail in the report of the Secretary-General currently before the Committee. It had noted the Advisory Committee's rather critical assessment of that report and took the view that the Committee required a clearer view of the issue as a whole before it could conclude its deliberations.

44. As business continuity management was directly linked to other initiatives currently in progress in the United Nations, the European Union was concerned at possible overlaps with ongoing projects, such as those regarding information and communications technology, enterprise resource planning, the capital master plan and enterprise risk management. It would like the Secretariat to clarify how it planned to avoid such duplication. Lastly, as several United Nations agencies had already established business continuity policies, the Secretariat should draw the maximum possible benefit from their experience and practices.

The meeting rose at 11.15 a.m.